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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D. C. 20554

MAY 14 1993

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
Safeguards to Improve the	)	CC Docket No. 93-6
Administration of the Interstate	)	RM 7736
Access Tariff and Revenue	)	
Distribution Processes	)	

**REPLY COMMENTS  
OF THE  
UNITED STATES TELEPHONE ASSOCIATION**

The United States Telephone Association (USTA) respectfully submits its reply to comments filed April 14, 1993 in the above-referenced proceeding.

In its comments, USTA urged the Commission not to interfere with NECA's responsibility as tariff filing agent for exchange carriers and not to remove governance responsibility from the exchange carriers represented by NECA. USTA also recommended that the Commission ensure that any new requirements not affect pool neutrality.

In furtherance of these objectives, USTA and the majority of commenting parties supported NECA's decision to include two outside directors on its Board.<sup>1</sup> However, USTA stated that NECA should be permitted to establish its own eligibility criteria.

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<sup>1</sup>USTA at p. 3, Bell Atlantic at p. 1, ALLTEL at p. 2, NARUC at p. 4, Southwestern Bell at p. 2, Ameritech at p. 2, NTCA at p. 7, Cathey, Hutton & Associates, Inc. at p. 5, and OPASTCO at p. 3.

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While one party suggested that three outside directors should be required, that party provided no reason why three outside directors would be preferable to two.<sup>2</sup> The record does not support the addition of more than two outside directors. This suggestion should be rejected.

The majority of commenting parties opposed the Commission's proposal to require NECA to provide on-line, dial-up access to its computer-based files of individual company cost and demand data.<sup>3</sup> Only AT&T and GCI supported the Commission's proposal.<sup>4</sup> AT&T requests that the Commission require NECA to provide access to NECA data files containing information reported on NECA's original USF data collection forms. AT&T also suggests that NECA be required to provide ARMIS-type data for each of the cost companies participating in the NECA pool.<sup>5</sup> GCI believes that access should be available to any interested party.<sup>6</sup>

The Commission's proposal and the expansion of that proposal suggested by AT&T and GCI are beyond the scope of this proceeding and unrelated to the development of safeguards to improve the

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<sup>2</sup>GCI at p. 2.

tariff and revenue distribution processes administered by NECA. No other tariff filing entities, including AT&T and GCI, are required to provide the Commission with access to their internal computer databases.<sup>7</sup> Many of the companies which would be affected do not maintain the type of data that AT&T is seeking; nor do they have the resources necessary to develop such data. Adoption of this proposal would add administrative burdens on small telephone companies and on NECA without a sufficient record to sustain it and would be inconsistent with the Commission's efforts to minimize burdensome tariff filing requirements for small telephone companies.<sup>8</sup>

As NECA explained, such data is preliminary and/or estimated and cannot be relied upon to validate tariff submissions.<sup>9</sup> Therefore, on-line access to NECA databases will not assist either the Commission, AT&T or GCI in reviewing NECA filings.<sup>10</sup>

Further, the Commission cannot ensure that the data is protected from unauthorized access or usage. Therefore, the proposal poses a serious security risk to exchange carriers.<sup>11</sup>

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<sup>7</sup>USTA at p. 4 and VTA member companies at p. 1.

<sup>8</sup>ALLTEL at p. 6 and VTA member companies at p. 1.

<sup>9</sup>NECA at pp. 25-26. See also, USTA at p. 5.

<sup>10</sup>USTA at p. 5, ALLTEL at p. 6, NTCA at p. 20, and Southwestern Bell at p. 8.

<sup>11</sup>VTA member companies at p. 1 and NTCA at p. 20.

Several commenters also strongly opposed the Commission's proposal to retain independent auditors to review non-pooling exchange carrier cost studies.<sup>12</sup> These comments explain that such a proposal is unnecessary and costly. Tariffs and cost support documentation are already available for review by the Commission and by any interested party. Procedures already exist to challenge tariff filings. The expense and burden of an independent audit are inconsistent with the Commission's

[REDACTED]

No commenting party has provided adequate justification for requiring on-line access to NECA databases or independent audits of non-pooling exchange carriers. The Commission should not adopt either proposal.

Respectfully submitted,

**UNITED STATES TELEPHONE ASSOCIATION**

By

A handwritten signature in cursive script, appearing to read "Linda Kent", is written over a horizontal line.

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May 14, 1993

## CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on May 14, 1993 copies of the foregoing Reply Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.

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